



REQUEST FOR ACTION CITY COUNCIL

Agenda Date: 6/16/2026
Agenda Section: Consent Agenda

Department Origination: City Attorney

Agenda Item: Adopt Resolution 2026-047 Approving a Compromise Agreement and Settlement Stipulation between Mills Property Investments, LLC and the City relating to the 2025 Design Road & TH 371 Stormwater Improvements Project, Municipal Project Number 4135 and Adopt Resolution 2026-048 Approving and Adopting a Reassessment of PID 40050719

Approval Required: Simple Majority Vote

BACKGROUND

On October 7, 2025, the City levied a special assessment in the amount of \$233,921.54 plus interest against the Property owned by Mills Property Investments, LLC for the 2025 Design Road & TH 371 Stormwater Improvements Project, Municipal Project No. 4135, payable in equal installments extending over a period of 12 years beginning in 2026 and bearing interest at the rate of 5.05% per year.

Mills Property Investments appealed the special assessment by filing a special assessment appeal action as Crow Wing County District Court File No. 18-CV-25-4198. Mills Property Investments and the City have reached a resolution on a reassessment of the Property in the amount of \$140,000. The City attorney prepared a Compromise Agreement intended to resolve the assessment appeal which has been approved by Mills Property Investments and their attorney.

City Council is requested to approve the Compromise Agreement resolving the Property Owner's special assessment appeal in District Court and approve and adopt a reassessment of the Property in the amount of \$140,000 plus interest.

FINANCIAL IMPLICATIONS

The tentative settlement amount for the assessment is \$140,000. This is a \$93,921.54 reduction in the levied special assessment amount from October 7, 2025.

STAFF RECOMMENDATIONS

Staff recommends the approval of the Resolution for Reassessment of PID 40050719 and Resolution Approving the Compromise Agreement between the City and Mills Property Investments, LLC.

COUNCIL ACTION REQUESTED

Council is requested to adopt Resolution No. 2026-047 approving a compromise agreement and settlement stipulation between the City and Mills Property Investments, LLC and Resolution No. 2026-048 adopting a reassessment of PID 40050719 in the amount of \$140,000.